

House Amendment 1173

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1 1 Amend House File 647 as follows:

1 2 #1. Page 1, by inserting before line 1 the
1 3 following:

1 4 1 5 IOWA UNIFORM SECURITIES ACT

1 6 Section 1. Section 502.102, subsection 3,
1 7 paragraph a, subparagraph (3), Code 2003, is amended
1 8 to read as follows:

1 9 (3) Effecting transactions in a federal covered
1 10 security as described in sections 18(b)(3) ~~and~~
~~1 11 18(b)(4)(D)~~ of the Securities Act of 1933 as amended
1 12 in Pub. L. No. 104=290, if a commission or other
1 13 remuneration is not either directly or indirectly paid
1 14 any person for soliciting in this state.

1 15 Sec. 2. Section 502.102, subsection 4, paragraph
1 16 d, Code 2003, is amended to read as follows:

1 17 d. A cooperative organized pursuant to chapter 501
1 18 for the purpose of engaging in the activities of an
1 19 agricultural association as defined in section 499.2.

1 20 ~~d. e.~~ Any other entity which is organized on a
1 21 cooperative basis under the laws of this state for the
1 22 purpose of engaging in the activities of an
1 23 agricultural association as defined in section 499.2.

1 24 Sec. 3. Section 502.202, subsection 19, Code 2003,
1 25 is amended by striking the subsection.

1 26 Sec. 4. Section 502.202, Code 2003, is amended by
1 27 adding the following new subsection:

1 28 NEW SUBSECTION. 20. A nonissuer transaction in an
1 29 outstanding security by or through a broker-dealer
1 30 registered or exempt from registration under this
1 31 chapter, if:

1 32 a. The issuer is a reporting issuer in a foreign
1 33 jurisdiction designated by this subsection or by rule
1 34 adopted or order issued under this chapter;

1 35 b. The issuer has been subject to continuous
1 36 reporting requirements in the foreign jurisdiction for
1 37 not less than one hundred eighty days before the
1 38 transaction; and

1 39 c. (i) The security is listed on the foreign
1 40 jurisdiction's securities exchange that has been
1 41 designated by this paragraph or by rule adopted or
1 42 order issued under this chapter; or

1 43 (ii) The security is a security of the same issuer
1 44 that is of senior or substantially equal rank to the
1 45 listed security; or

1 46 (iii) The security is a warrant or right to
1 47 purchase or subscribe to any of the securities
1 48 described in this paragraph "c".

1 49 For purposes of this subsection, Canada, together
1 50 with its provinces and territories, is a designated
2 1 foreign jurisdiction and the Toronto stock exchange,
2 2 inc., is a designated securities exchange. The
2 3 administrator, by rule or order, may revoke the
2 4 designation of a securities exchange under this
2 5 subsection, if the administrator finds that revocation
2 6 is necessary or appropriate in the public interest and
2 7 for the protection of investors. An order issued
2 8 under this subsection must comply with section
2 9 502.204.

2 10 Sec. 5. Section 502.303, subsection 5, Code 2003,
2 11 is amended to read as follows:

2 12 5. The administrator may make examinations, within
2 13 or without this state, of the business and records of
2 14 each ~~registered~~ broker-dealer ~~or registered or~~
2 15 required to be registered, the broker-dealer's agent,
2 16 an investment adviser registered or required to be
2 17 registered, or an investment adviser representative,

2 18 ~~at the~~ times and in the scope as the administrator
2 19 determines. The examinations may be made without
2 20 prior notice to the broker-dealer or investment
2 21 adviser. The administrator may copy all records the
2 22 administrator believes are necessary to conduct the
2 23 examination. The expense reasonably attributable to
2 24 an examination of the business records of the broker=
2 25 dealer or the broker-dealer's agent whose business is

2 26 examined shall be paid by the broker-dealer or and the
2 27 expense reasonably attributable to an examination of
2 28 the business records of the investment adviser or the
2 29 investment adviser representative whose business is
2 30 examined, but shall be paid by the investment adviser.
2 31 However, the expense so payable shall not exceed an
2 32 amount which the administrator by rule prescribes.
2 33 For the purpose of avoiding unnecessary duplication of
2 34 examinations, the administrator may cooperate with
2 35 securities administrators of other states, the
2 36 securities and exchange commission, and any national
2 37 securities exchange or national securities association
2 38 registered under the Securities Exchange Act of 1934.
2 39 The administrator shall not make public the
2 40 information obtained in the course of ~~examinations an~~
2 41 examination, except ~~when~~ under any of the following
2 42 circumstances:

2 43 a. ~~When~~ a duty under this chapter requires the
2 44 administrator to take action regarding a broker-dealer
2 45 ~~or, the broker-dealer's agent, an investment adviser,~~
2 46 ~~or an investment adviser representative~~ to make the
2 47 information available to one of the agencies specified
2 48 in this section, ~~or except when,~~

2 49 b. ~~When~~ the administrator is called as a witness
2 50 in a criminal or civil proceeding.

3 1 Sec. 6. Section 502.304, subsection 1, paragraph
3 2 g, Code 2003, is amended to read as follows:

3 3 g. Has engaged in dishonest or unethical practices
3 4 in the securities, ~~commodities, investment, franchise,~~
3 5 banking, finance, or insurance business;

3 6 DIVISION II
3 7 BUSINESS OPPORTUNITY PROMOTIONS

3 8 Sec. 7. Section 22.7, subsection 42, Code 2003, is
3 9 amended to read as follows:

3 10 42. Information obtained by the commissioner of
3 11 insurance in the course of an investigation as
3 12 provided in section 502.603, ~~523B.8,~~ or 523C.23.

3 13 Sec. 8. Section 523B.1, subsection 1, Code 2003,
3 14 is amended by striking the subsection.

3 15 Sec. 9. Section 523B.1, subsection 3, paragraph a,
3 16 unnumbered paragraph 1, Code 2003, is amended to read
3 17 as follows:

3 18 "Business opportunity" means an opportunity to
3 19 ~~start a business according to the terms of a contract~~

3 20 ~~or agreement, between a seller and purchaser, ~~express~~~~
3 21 ~~or implied, orally or in writing, at in which the~~

3 22 ~~purchaser provides an initial investment exceeding~~
3 23 ~~five hundred dollars, ~~where, the parties agree seller~~~~

3 24 ~~represents that the seller or a person recommended by~~
3 25 ~~the seller is to provide to the purchaser any~~

3 26 ~~products, equipment, supplies, materials, or services~~
3 27 ~~for the purpose of enabling the purchaser to start ~~a~~~~

3 28 ~~the business, and the seller represents, directly or~~
3 29 ~~indirectly, orally or in writing, any of the~~

3 30 ~~following:~~
3 31 Sec. 10. Section 523B.1, subsection 3, paragraph

3 32 b, subparagraph (5), Code 2003, is amended to read as
3 33 follows:

3 34 (5) The renewal or extension of a business
3 35 opportunity contract ~~or agreement~~ entered into under
3 36 this chapter or prior to July 1, 1981.

3 37 Sec. 11. Section 523B.1, Code 2003, is amended by
3 38 adding the following new subsection:

3 39 **NEW SUBSECTION.** 3A. "Contract" means any
3 40 agreement between parties which is express or implied,
3 41 and which is made orally or in writing.

3 42 Sec. 12. Section 523B.1, subsection 4, unnumbered
3 43 paragraph 1, Code 2003, is amended to read as follows:

3 44 "Franchise" means a contract ~~or agreement~~ between a
3 45 seller and a purchaser, ~~express or implied, orally or~~

3 46 ~~in writing, where the parties agree to ~~both~~ all of the~~
3 47 following:

3 48 Sec. 13. Section 523B.1, subsections 9, 10, and
3 49 12, Code 2003, are amended to read as follows:

3 50 9. "Person" means ~~an individual, corporation,~~
4 1 ~~trust, partnership, incorporated or unincorporated~~

4 2 ~~association, or any other legal entity, provided,~~
4 3 ~~however, person the same as defined in section 4.1,~~

4 4 ~~except that it does not include a government or~~
4 5 ~~governmental subdivision or agency.~~

4 6 10. "Purchaser" means a person who enters into a

4 7 contract ~~or agreement~~ for the acquisition of a
4 8 business opportunity or a person to whom an offer to
4 9 sell a business opportunity is directed.
4 10 12. "Sale" or "sell" includes every contract ~~or~~
~~4 11 agreement of for sale, contract to sell, or~~
4 12 disposition of, a business opportunity or interest in
4 13 a business opportunity for value.
4 14 Sec. 14. Section 523B.2, subsections 1 through 7,
4 15 Code 2003, are amended by striking the subsections.
4 16 Sec. 15. Section 523B.2, subsection 8, paragraphs
4 17 a and b, Code 2003, are amended to read as follows:
4 18 1. IRREVOCABLE CONSENT TO SERVICE. A person
4 19 required to file an irrevocable consent to service of
4 20 process with the secretary of state as a seller as
4 21 provided in section 523B.2A shall not act as a seller
4 22 in the state
4 23 ~~a. It is unlawful to offer or sell a business~~
~~4 24 opportunity required to be registered pursuant to this~~
~~4 25 chapter unless the person provides a written~~
4 26 disclosure document ~~as filed under subsection 2 is~~
~~4 27 delivered to each purchaser. The person shall deliver~~
~~4 28 the written disclosure document to the purchaser at~~
4 29 least ten business days prior to the earlier of the
4 30 purchaser's execution ~~by a purchaser of a contract or~~
~~4 31 agreement imposing a binding legal obligation on the~~
4 32 purchaser or the payment by a purchaser of any
4 33 consideration in connection with the offer or sale of
4 34 the business opportunity.
4 35 ~~b. 2. DISCLOSURE DOCUMENT COVER SHEET. The~~
4 36 disclosure document shall have a cover sheet which ~~is~~
~~4 37 entitled, shall consist of a title printed in bold and~~
4 38 a statement. ~~The title and statement shall be in at~~
4 39 least ten point ~~bold type, "DISCLOSURE REQUIRED BY~~
~~4 40 IOWA LAW."~~ and shall appear as follows:
4 41 DISCLOSURE REQUIRED BY IOWA LAW
4 42 Under the title shall appear the following statement
~~4 43 in at least ten point type: "The The registration of~~
4 44 this business opportunity does not constitute
4 45 approval, recommendation, or endorsement by the state
4 46 of Iowa. The information contained in this disclosure
4 47 document has not been verified by this state. If you
4 48 have any questions or concerns about this investment,
4 49 seek professional advice before you sign a contract or
4 50 make any payment. You are to be provided ten (10)
5 1 business days to review this document before signing a
5 2 contract ~~or agreement~~ or making any payment to the
5 3 seller or the seller's ~~representative."~~
5 4 representative.
5 5 The seller's name and principal business address,
5 6 along with the date of the disclosure document, shall
5 7 also be provided on the cover sheet. No other
5 8 information shall appear on the cover sheet.
5 9 3. DISCLOSURE DOCUMENT CONTENTS. A disclosure
5 10 document shall be in one of the following forms:
5 11 a. A uniform franchise offering circular prepared
5 12 in accordance with the guidelines adopted by the North
5 13 American securities administrators association, inc.,
5 14 as amended through the effective date of this Act.
5 15 b. A disclosure document prepared pursuant to the
5 16 federal trade commission rule relating to disclosure
5 17 requirements and prohibitions concerning franchising
5 18 and business opportunity ventures in accordance with
5 19 16 C.F.R. } 436.
5 20 c. A form that includes all of the following:
5 21 Sec. 16. Section 523B.2, subsection 8, paragraph
5 22 c, unnumbered paragraph 1, Code 2003, is amended by
5 23 striking the unnumbered paragraph.
5 24 Sec. 17. Section 523B.2, subsection 8, paragraph
5 25 c, subparagraphs (13), (17), (18), (19), and (20),
5 26 Code 2003, are amended to read as follows:
5 27 (13) The business opportunity seller that secures
5 28 a bond pursuant to subsection 10 shall include in the
5 29 disclosure document the following statement: "As
5 30 required by the state of Iowa, the seller has secured
5 31 a bond issued by [insert name and address of surety
5 32 company], a surety company, authorized to do business
5 33 in this state. Before signing a contract ~~or agreement~~
5 34 to purchase this business opportunity, you should
5 35 check with the surety company to determine the bond's
5 36 current status."
5 37 (17) A statement describing any contractual

5 38 restrictions, prohibitions, or limitations on the
5 39 purchaser's conduct. Attach a copy of all business
5 40 opportunities and other contracts ~~or agreements~~
5 41 proposed for use or in use in this state including,
5 42 without limitation, all lease agreements, option
5 43 agreements, and purchase agreements.
5 44 (18) The rights and obligations of the seller and
5 45 the purchaser regarding termination of the business
5 46 opportunity contract ~~or agreement~~.
5 47 (19) A statement accurately describing the grounds
5 48 upon which the purchaser may initiate legal action to
5 49 terminate the business opportunity contract ~~or~~
5 50 ~~agreement~~.

6 1 (20) A copy of the most recent audited financial
6 2 statement of the seller, prepared within thirteen
6 3 months of the first offer in this state, together with
6 4 a statement of any material changes in the financial
6 5 condition of the seller from that date. ~~The~~
6 6 ~~administrator may allow the seller to submit a limited~~
6 7 ~~review in order to satisfy the requirements of~~
6 8 ~~subparagraph (13).~~

6 9 Sec. 18. Section 523B.2, subsection 8, paragraph
6 10 c, subparagraph (25), Code 2003, is amended by
6 11 striking the subparagraph.

6 12 Sec. 19. Section 523B.2, subsection 9, paragraphs
6 13 a and b, Code 2003, are amended to read as follows:
6 14 a. ~~It is unlawful to~~ A person shall not offer or
6 15 sell a business opportunity ~~required to be registered~~
6 16 ~~unless the~~ a business opportunity contract or
6 17 ~~agreement is in writing and a copy of the contract or~~
6 18 ~~agreement is given~~ provided to the purchaser at the
6 19 time the purchaser ~~signs~~ executes the contract ~~or~~
6 20 ~~agreement~~.

6 21 b. ~~The contract or agreement is subject to this~~
6 22 ~~chapter and section 714.16.~~

6 23 Sec. 20. Section 523B.2, subsection 9, paragraph
6 24 c, unnumbered paragraph 1, Code 2003, is amended to
6 25 read as follows:
6 26 ~~Contracts or agreements~~ A business opportunity
6 27 contract shall set forth in at least ten point type or
6 28 equivalent size, if handwritten, all of the following:

6 29 Sec. 21. Section 523B.2, subsection 10, Code 2003,
6 30 is amended by striking the subsection.

6 31 Sec. 22. NEW SECTION. 523B.2A SERVICE OF
6 32 PROCESS.

6 33 1. A person shall not act as a seller in this
6 34 state unless the person has filed an irrevocable
6 35 consent of service of process with the secretary of
6 36 state on a form approved by the secretary of state.
6 37 The form shall appoint the secretary of state to be
6 38 the seller's attorney to receive service of process
6 39 for any lawful process in a noncriminal suit, action,
6 40 or proceeding against the seller or the seller's
6 41 successor, executor, or administrator which arises
6 42 under this chapter after the consent has been filed.
6 43 Service of process delivered to the secretary of state
6 44 shall have the same force and validity as if served
6 45 personally on the person filing the consent.

6 46 2. A person who engages in conduct prohibited or
6 47 made actionable under this chapter and who has not
6 48 filed a consent to service of process is deemed to
6 49 have appointed the attorney general to be the person's
6 50 attorney for purposes of service of process in a
7 1 noncriminal suit, action, or proceeding against the
7 2 person or the person's successor, executor, or
7 3 administrator, which is the result of that conduct and
7 4 which is brought under this chapter, including a rule
7 5 adopted or order issued under this chapter. Service
7 6 of process shall be made by leaving a copy of the
7 7 process in the office of the attorney general.
7 8 Service of process is effective after both of the
7 9 following have occurred:

7 10 a. The plaintiff, who may be the attorney general,
7 11 in a suit, action, or proceeding instituted by the
7 12 attorney general, sends notice of the service and a
7 13 copy of the process by certified mail or restricted
7 14 certified mail to the defendant's or respondent's last
7 15 known address or takes other steps which are
7 16 reasonably calculated to give actual notice.

7 17 b. The plaintiff's affidavit of compliance with
7 18 this subsection is filed on or before the return day

7 19 of the process, if any, or within such further time as
7 20 the court allows.

7 21 3. When process is served under this section, the
7 22 court, or the attorney general in a proceeding before
7 23 the attorney general, shall order such continuance as
7 24 may be necessary to afford the defendant or respondent
7 25 reasonable opportunity to defend.

7 26 Sec. 23. Section 523B.3, Code 2003, is amended to
7 27 read as follows:

7 28 523B.3 EXEMPTIONS FROM ~~REGISTRATION AND DISCLOSURE~~
7 29 ~~REQUIREMENTS.~~

7 30 ~~1. EXEMPTIONS.~~ The following business
7 31 opportunities are exempt from the requirements of
7 32 section 523B.2:

7 33 ~~a. 1.~~ The offer or sale of a business opportunity
7 34 if the purchaser is a bank, savings and loan
7 35 association, trust company, insurance company, credit
7 36 union, or investment company as defined by the federal
7 37 Investment Company Act of 1940, a pension or profit=
7 38 sharing trust, or other financial institution or
7 39 institutional buyer, or a broker=dealer registered
7 40 pursuant to chapter 502, whether the purchaser is
7 41 acting for itself or in a fiduciary capacity.

7 42 ~~b. 2. a.~~ ~~The An~~ offer or sal
7 43 opportunity which is ~~defined as~~ a franchise under
7 44 ~~section 523B.1, subsection 4,~~ provided that the seller
7 45 delivers to each purchaser at the earlier of the first
7 46 personal meeting between the seller and the purchaser,
7 47 or ten business days prior to the earlier of the
7 48 execution by a purchaser of a contract ~~or agreement~~
7 49 imposing a binding legal obligation on the purchaser
7 50 or the payment by a purchaser of any consideration in
8 1 connection with the offer or sale of the business
8 2 opportunity, one of the following disclosure
8 3 documents:

8 4 (1) A uniform franchise=offering circular prepared
8 5 in accordance with the guidelines adopted by the North
8 6 American securities administrators association, inc.,
8 7 as amended through September 21, 1983.

8 8 (2) A disclosure document prepared pursuant to the
8 9 federal trade commission rule entitled "Disclosure
8 10 requirements and prohibitions concerning franchising
8 11 and business opportunity ventures", 16 C.F.R. } 436
8 12 (1979).

8 13 ~~b.~~ For the purposes of this ~~paragraph subsection,~~
8 14 a personal meeting means a face-to-face meeting
8 15 between the purchaser and the seller or their
8 16 representatives, which is held for the purpose of
8 17 discussing the offer or sale of a business
8 18 opportunity. The ~~administrator attorney general~~ may
8 19 by rule adopt any amendment to the uniform franchise=
8 20 offering circular that has been adopted by the North
8 21 American securities administrators association, inc.,
8 22 or any amendment to the disclosure document prepared
8 23 pursuant to the federal trade commission rule entitled
8 24 "Disclosure requirements and prohibitions concerning
8 25 franchising and business opportunity ventures", 16
8 26 C.F.R. } 436 (1979), that has been adopted by the
8 27 federal trade commission.

8 28 ~~c. 3.~~ The offer or sale of a business opportunity
8 29 for which the cash payment made by a purchaser does
8 30 not exceed five hundred dollars and the payment is
8 31 made for the not=for=profit sale of sales
8 32 demonstration equipment, material, or samples, or the
8 33 payment is made for product inventory sold to the
8 34 purchaser at a bona fide wholesale price.

8 35 ~~d. The offer or sale of a business opportunity~~
~~8 36 which the administrator exempts by order or a class of~~
~~8 37 business opportunities which the administrator exempts~~
~~8 38 by rule upon the finding that the exemption would not~~
~~8 39 be contrary to public interest and that registration~~
~~8 40 would not be necessary or appropriate for the~~
~~8 41 protection of purchasers.~~

8 42 2. Denial or revocation of exemptions.

8 43 ~~a. If the public interest of the protection of~~
~~8 44 purchasers so requires, the administrator may by order~~
~~8 45 deny or revoke an exemption specified in this section~~
~~8 46 with respect to a particular offering of one or more~~
~~8 47 business opportunities. An order shall not be entered~~
~~8 48 without appropriate prior notice to all interested~~
~~8 49 parties, opportunity for hearing, and written findings~~

~~8 50 of fact and conclusions of law.~~

~~9 1 b. If the public interest or the protection of
9 2 purchasers so requires, the administrator may by order
9 3 summarily deny or revoke any of the specified
9 4 exemptions pending final determination of any
9 5 proceedings under this section. Upon entry of the
9 6 order, the administrator shall promptly notify all
9 7 interested parties that it has been entered and of the
9 8 reasons for entering the order and that within fifteen
9 9 days of the receipt of a written request the matter
9 10 will be set down for hearing. If a hearing is not
9 11 requested the order shall remain in effect until it is
9 12 modified or vacated by the administrator. If a
9 13 hearing is requested or ordered, the administrator
9 14 shall not modify or vacate the order or extend it
9 15 until final determination.~~

~~9 16 c. An order under this section shall not operate
9 17 retroactively.~~

~~9 18 d. A person does not violate section 523B.2 by
9 19 reason of an offer or sale effected after the entry of
9 20 an order under paragraph "b" if the person sustains
9 21 the burden of proof that the person did not know, and
9 22 in the exercise of reasonable care could not have
9 23 known, of the order.~~

~~9 24 3. BURDEN OF PROOF. In an administrative, civil,
9 25 or criminal proceeding related to this chapter, the
9 26 burden of proving an exemption, an exception from a
9 27 definition, or an exclusion from this chapter, is upon
9 28 the person claiming it.~~

~~9 29 Sec. 24. Section 523B.7, subsection 1, Code 2003,
9 30 is amended to read as follows:~~

~~9 31 1. a. A person who violates requirements for
9 32 disclosure and the contents of business opportunity
9 33 contracts pursuant to section 523B.2, subsection 1, 8,
9 34 or 9, is liable to the purchaser in an action for
9 35 rescission of the agreement contract, or for recovery of
9 36 all money or other valuable consideration paid for the
9 37 business opportunity, and for actual damages together
9 38 with interest as determined pursuant to section 668.13
9 39 from the date of sale, reasonable attorney's fees, and
9 40 court costs.~~

~~9 41 b. A person who violates provides misleading
9 42 advertising as provided in section 523B.12, subsection
9 43 2 or 3, is liable to the purchaser who may sue either
9 44 at law or in equity for rescission of the contract, or
9 45 for recovery of all money or other valuable
9 46 consideration paid for the business opportunity, and
9 47 for the recovery of treble damages together with
9 48 interest as determined pursuant to section 668.13 from
9 49 the date of sale, reasonable attorney's fees, and
9 50 court costs.~~

~~10 1 c. A person who violates disclosure requirements
10 2 of section 523B.2, subsection 8, or who provides
10 3 misleading advertising as provided in section 523B.12,
10 4 subsection 2 or 3, or who breaches a business
10 5 opportunity contract or agreement or an obligation
10 6 arising under the contract or agreement, is liable to
10 7 the purchaser who. The purchaser may sue the surety
10 8 of the seller's bond, either at law or in equity, to
10 9 recover all money or other valuable consideration paid
10 10 for the business opportunity and actual damages,
10 11 together with interest as determined pursuant to
10 12 section 668.13 from the date of sale, reasonable
10 13 attorney's fees, and court costs. The liability of
10 14 the surety shall not exceed the amount of the bond.~~

~~10 15 Sec. 25. Section 523B.8, Code 2003, is amended to
10 16 read as follows:~~

~~10 17 523B.8 POWERS OF ADMINISTRATOR ENFORCEMENT.~~

~~10 18 1. a. Upon the administrator's attorney general's
10 19 determination that a person has engaged, is engaging,
10 20 or is about to engage in any act or practice
10 21 constituting a violation of this chapter or, including
10 22 a rule adopted or order adopted or issued under this
10 23 chapter, the administrator attorney general may issue
10 24 a summary order directing the person to cease and
10 25 desist from engaging in the act or practice or to take
10 26 other affirmative action as in the judgment of the
10 27 administrator attorney general is necessary to comply
10 28 with the requirements of this chapter.~~

~~10 29 b. If a hearing is not timely requested the person
10 30 against whom the order is made does not contest the~~

10 31 order as provided in chapter 17A, the summary order
10 32 becomes final by operation of law. The order shall
10 33 remain effective from the date of issuance until the
10 34 date the order becomes final by operation of law or is
10 35 overturned by a presiding officer or court ~~following a~~
10 36 ~~request for hearing after the order is contested.~~ A
10 37 ~~person who has been issued a summary order under this~~
10 38 ~~subsection may contest it by filing a request for may~~
10 39 ~~initiate~~ a contested case proceeding as provided in
10 40 chapter 17A and in accordance with the rules adopted
10 41 by the ~~administrator attorney general~~. However, the
10 42 person shall have at least thirty days from the date
10 43 that the order is issued in order to ~~file the request~~
10 44 ~~initiate the contested case proceeding.~~ Section
10 45 17A.18A is inapplicable to a summary order issued
10 46 under this subsection.

10 47 c. A person violating a summary order issued under
10 48 this subsection shall be deemed in contempt of that
10 49 order. The ~~administrator attorney general~~ may
10 50 petition the district court to enforce the order as
11 1 certified by the ~~administrator attorney general~~. The
11 2 district court shall adjudge the person in contempt of
11 3 the order if the court finds after a hearing that the
11 4 person is not in compliance with the order. The court
11 5 shall assess a civil penalty against the person in an
11 6 amount not less than three thousand dollars but not
11 7 greater than ten thousand dollars per violation, and
11 8 may issue further orders as it deems appropriate.

11 9 A consent agreement between the ~~administrator~~
11 10 ~~attorney general~~ and the seller may be filed in the
11 11 miscellaneous docket of the clerk of the district
11 12 court.

11 13 2. a. The ~~administrator attorney general shall~~
11 14 ~~conduct investigations necessary to administer and~~
11 15 ~~enforce this chapter.~~ The attorney general may do any
11 16 of the following:

11 17 (1) Make public or private investigations within
11 18 or outside of this state as the ~~administrator attorney~~
11 19 ~~general~~ deems necessary to determine whether a person
11 20 has violated or is about to violate a provision of
11 21 this chapter ~~or, including~~ a rule ~~adopted~~ or order
11 22 ~~issued~~ under this chapter, ~~or to aid in the~~
11 23 ~~enforcement of this chapter or in the prescribing of~~
11 24 ~~rules and forms under this chapter.~~

11 25 (2) Notwithstanding chapter 22, keep confidential
11 26 the information obtained in the course of an
11 27 investigation. However, if the ~~administrator attorney~~
11 28 ~~general~~ determines that it is necessary or appropriate
11 29 in the public interest or for the protection of the
11 30 public, the ~~administrator attorney general~~ shall share
11 31 information with ~~the insurance division of the~~
11 32 ~~department of commerce, or with other regulatory~~
11 33 ~~authorities or governmental agencies, or may publish~~
11 34 ~~information concerning a violation of this chapter or~~
11 35 ~~a rule adopted or order issued under this chapter.~~

11 36 (3) Require or permit a person to file a
11 37 statement, under oath or otherwise as the
11 38 ~~administrator attorney general~~ determines, as to all
11 39 the facts and circumstances concerning the matter to
11 40 be investigated.

11 41 (4) Publish information concerning a violation of
11 42 this chapter ~~or, including~~ a violation of a rule or
11 43 order under this chapter.

11 44 b. For the purpose of ~~an investigation or~~
11 45 ~~proceeding under enforcing~~ this chapter, the
11 46 ~~administrator or an officer designated by the~~
11 47 ~~administrator attorney general~~ may administer oaths
11 48 and affirmations, subpoena witnesses, compel the
11 49 attendance of witnesses, take evidence and require the
11 50 production of records which the ~~administrator attorney~~
12 1 ~~general~~ deems relevant or material to the inquiry.

12 2 c. If a person resists or refuses to obey a
12 3 subpoena issued to that person, the district court
12 4 upon application by the ~~administrator attorney general~~
12 5 may issue to the person an order requiring the person
12 6 to appear before the ~~administrator attorney general~~,
12 7 to produce documentary evidence if so ordered, or to
12 8 give evidence related to the matter under
12 9 investigation. Failure to obey the order of the court
12 10 is punishable as a contempt of court.

12 11 d. A person is not excused from attending and

12 12 testifying or from producing a document or record
12 13 before the ~~administrator or an officer designated by~~
~~12 14 the administrator attorney general~~, on the grounds
12 15 that the testimony or evidence, documentary or
12 16 otherwise, required by the ~~administrator attorney~~
~~12 17 general~~ may tend to incriminate the person or subject
12 18 the person to a penalty or forfeiture. However, an
12 19 individual shall not be prosecuted or subjected to a
12 20 penalty or forfeiture on account of a transaction,
12 21 matter, or thing concerning which the person is
12 22 compelled, after claiming the person's privilege
12 23 against self-incrimination, to testify or produce,
12 24 except that the individual testifying is not exempt
12 25 from prosecution and punishment for perjury or
12 26 contempt related to such testimony.

~~12 27 3. Judicial review of a decision of the~~
~~12 28 administrator may be sought under chapter 17A.~~

~~12 29 4. 3. a. If it appears to the administrator~~
12 30 attorney general that a person has engaged, is
12 31 engaged, or is about to engage in any act or practice
12 32 constituting a violation of this chapter, ~~or of~~
12 33 including a rule adopted or order ~~adopted or issued~~
12 34 under this chapter, the ~~administrator attorney general~~
12 35 may bring an action in the district court to enjoin
12 36 the ~~acts act or practices practice~~ 12 37 violation and to enforce compliance with this
chapter
12 38 ~~or any rule or order adopted or issued pursuant to~~
~~12 39 this chapter~~. Upon a proper showing a permanent or
12 40 temporary injunction shall be granted and a receiver
12 41 or conservator may be appointed for the defendant or
12 42 the defendant's assets. Upon proper showing by the
12 43 ~~administrator attorney general~~, the court may enter an
12 44 order of rescission, restitution, or disgorgement, as
12 45 well as prejudgment and postjudgment interest,
12 46 directed at any person who has engaged in an act
12 47 constituting a violation of this chapter.

12 48 b. The ~~administrator attorney general~~, in bringing
12 49 an injunctive action under paragraph "a", shall not be
12 50 required to post bond.

13 1 4. The attorney general may refer available
13 2 evidence concerning a possible violation of chapter
13 3 502 to the insurance division of the department of
13 4 commerce.

13 5 5. The attorney general may institute appropriate
13 6 criminal proceedings or may direct the case to the
13 7 appropriate county attorney to institute appropriate
13 8 criminal proceedings.

13 9 Sec. 26. Section 523B.10, Code 2003, is amended to
13 10 read as follows:
13 11 523B.10 RULES.
13 12 The ~~administrator attorney general~~ may adopt rules
13 13 according to chapter 17A ~~as necessary or appropriate~~
~~13 14 for the protection of purchasers and to implement the~~
~~13 15 purposes of this and the provisions of this chapter as~~
~~13 16 required to administer and enforce this chapter,~~
~~13 17 including but not limited to rules governing~~
~~13 18 registrations, applications, disclosure statements,~~
~~13 19 and reports. In adopting rules the administrator~~
~~13 20 shall co-operate with agency administrators of other~~
~~13 21 states and the federal trade commission to achieve~~
~~13 22 uniformity in the form and content of registrations,~~
~~13 23 applications and reports as practicable.~~

13 24 Sec. 27. Section 523B.11, Code 2003, is amended to
13 25 read as follows:
13 26 523B.11 PENALTIES.
13 27 1. a. A seller who willfully violates
13 28 requirements for disclosure and the contents of
13 29 business opportunity contracts pursuant to section
13 30 523B.2, subsection 1, 8, or 9, or who provides
13 31 misleading advertising as provided in section 523B.12,
13 32 subsection 2, who willfully violates a rule under this
13 33 chapter, who willfully violates an order of which the
13 34 person has notice, ~~or who violates section 523B.12,~~
~~13 35 subsection 1, knowing that the statement made was~~
~~13 36 false or misleading in any material respect,~~ upon
13 37 conviction, is guilty of a class "D" felony.
13 38 Otherwise, a person who violates a rule adopted or
13 39 order issued under this chapter is, upon conviction,
13 40 guilty of an aggravated misdemeanor. Each of the acts
13 41 specified constitutes a separate offense and a
13 42 prosecution or conviction for any one of such offenses

13 43 does not bar prosecution or conviction for any other
13 44 offense.

13 45 2. A business opportunity contract is subject to
13 46 section 714.16.

13 47 3. A seller who willfully uses any device or
13 48 scheme to defraud a person in connection with ~~the an~~
13 49 advertisement, offer to sell or lease, sale, or lease
13 50 of a business opportunity, or who willfully violates
14 1 any other provision of this chapter, except as
14 2 provided in ~~subsections 1 and 3,~~ subsection 1 is, upon
14 3 conviction, guilty of a fraudulent practice as
14 4 provided in chapter 714.

~~14 5 3. A seller who violates a rule or order adopted
14 6 or issued under this chapter is, upon conviction,
14 7 guilty of an aggravated misdemeanor.~~

~~14 8 4. The administrator may refer available evidence
14 9 concerning a possible violation of this chapter or of
14 10 a rule or order issued under this chapter to the
14 11 attorney general. The attorney general, with or
14 12 without such a referral, may institute appropriate
14 13 criminal proceedings or may direct the case to the
14 14 appropriate county attorney to institute appropriate
14 15 criminal proceedings.~~

14 16 Sec. 28. Section 523B.12, subsections 1, 2, and 3,
14 17 Code 2003, are amended to read as follows:

~~14 18 1. MISLEADING FILINGS STATEMENTS. It is unlawful
14 19 to A person shall not make or cause to be made, a
14 20 misleading statement in a disclosure document filed
14 21 with the administrator required pursuant to section
14 22 523B.2 or in a proceeding under this chapter, a
14 23 statement which is, at, The statement shall be deemed
14 24 to be misleading if any of the following applies:~~

~~14 25 a. At the time and in the light of the
14 26 circumstances under which it is made, the statement is
14 27 false or misleading in a material respect or, in
14 28 connection with such a statement, to omit to state,~~

~~14 29 b. An omission of a material fact is necessary in
14 30 order to make the statement made, in the light of the
14 31 circumstances under which it is made, not misleading.~~

~~14 32 2. UNLAWFUL REPRESENTATIONS. The fact that an
14 33 application for registration has been filed or the
14 34 fact that a business opportunity is effectively
14 35 registered does not constitute a finding by the
14 36 administrator that a document filed under this chapter
14 37 is true, complete, and not misleading. The fact that
14 38 an application for registration has been filed, that a
14 39 business opportunity is effectively registered, or
14 40 that an exemption or exception is available for a
14 41 business opportunity does not mean that the
14 42 administrator has passed in any way upon the merits or
14 43 qualifications of, or recommended or given approval
14 44 to, a person or business opportunity. It is unlawful
14 45 to make, or cause to be made, to a purchaser, any
14 46 representation inconsistent with this subsection.~~

~~14 47 3. 2. ADVERTISING. It is unlawful for a A
14 48 shall not, in connection with the offer or sale of a
14 49 business opportunity in this state, to publish,
14 50 circulate, or use advertising which contains an untrue
15 1 statement of a material fact or omits to state a
15 2 material fact necessary in order to make the
15 3 statements made, in the light of the circumstances
15 4 under which they are made, not misleading.~~

15 5 Sec. 29. Section 523B.12, subsection 4, unnumbered
15 6 paragraph 1, Code 2003, are amended to read as
15 7 follows:

~~15 8 It is unlawful for a business opportunity A seller
15 9 to of a business opportunity shall not do any of the
15 10 following:~~

15 11 Sec. 30. Section 523B.12, subsection 4, paragraphs
15 12 d, f, h, and j, Code 2003, are amended to read as
15 13 follows:

15 14 d. Misrepresent the training and management
15 15 assistance available to the ~~business opportunity~~
15 16 purchaser.

15 17 f. Misrepresent, by failure to disclose or
15 18 otherwise, the termination, transfer, or renewal
15 19 provision of a business opportunity ~~agreement~~
15 20 contract.

~~15 21 h. Assign a so-called exclusive territory
15 22 encompassing the same area to more than one business
15 23 opportunity purchaser.~~

15 24 j. Provide merchandise, machines, or displays of a
15 25 brand or kind substantially different from or inferior
15 26 to those promised by the ~~business opportunity~~ seller.
15 27 Sec. 31. Section 523B.13, subsections 5 and 6,
15 28 Code 2003, are amended by striking the subsections.
15 29 Sec. 32. Section 523B.5, Code 2003, is repealed.

15 30 DIVISION III

15 31 RETIREMENT FACILITIES

15 32 Sec. 33. Section 523D.1, subsection 1, Code 2003,
15 33 is amended by striking the subsection.

15 34 Sec. 34. Section 523D.3, subsection 1, unnumbered
15 35 paragraph 1, Code 2003, is amended to read as follows:

15 36 At the time of, or prior to, the execution of a
15 37 contract to provide continuing care or senior adult
15 38 congregate living services, or at the time of, or
15 39 prior to the provider's acceptance of part or all of
15 40 the entrance fee by or on behalf of a prospective
15 41 resident, whichever occurs first, the provider shall
15 42 deliver ~~a~~ an initial disclosure statement to the
15 43 person, and to the person's personal representative if
15 44 one is appointed, with whom the contract is to be
15 45 entered into. Unless incorporated by reference, in
15 46 whole or in part, the initial disclosure statement
15 47 shall not constitute part of the contract between the
15 48 resident and provider. The initial disclosure
15 49 statement shall contain all of the following
15 50 information unless the information is in the contract,
16 1 a copy of which must be attached to the statement:

16 2 Sec. 35. Section 523D.3, subsection 1, paragraph
16 3 c, subparagraph (4), Code 2003, is amended to read as
16 4 follows:

16 5 (4) A description of any matter in which the
16 6 person is subject to a currently effective injunctive
16 7 or restrictive order of a court, or a description of
16 8 any matter within the past five years where the person
16 9 has had a state or federal license or permit suspended
16 10 or revoked as a result of an action brought by a
16 11 governmental agency of this or any state ~~or the~~
16 12 ~~division of insurance~~, arising out of or relating to
16 13 business activity or health care, including, without
16 14 limitation, actions affecting a license to operate a
16 15 foster care facility, health care facility, retirement
16 16 home, home for the aged, or facility licensed under
16 17 this chapter or a similar law of another state.

16 18 Sec. 36. Section 523D.3, subsection 1, paragraph
16 19 k, Code 2003, is amended to read as follows:

16 20 k. Other material information concerning the
16 21 facility or the provider ~~required by the division of~~
16 22 ~~insurance or which the provider wishes to include.~~

16 23 Sec. 37. Section 523D.3, subsection 2, unnumbered
16 24 paragraph 1, Code 2003, is amended to read as follows:

16 25 The provider shall ~~file with the insurance~~
16 26 ~~division, prepare~~ annually within five months
16 27 following the end of the provider's fiscal year, an
16 28 annual disclosure statement which shall contain the
16 29 information ~~required by this chapter~~ for the initial
16 30 disclosure statement. The disclosure statement shall
16 31 be available for review at the facility by a resident,
16 32 prospective resident, or that person's personal
16 33 representative. The annual disclosure statement shall

16 34 also be accompanied by a narrative describing:
16 35 Sec. 38. Section 523D.3, subsections 3 and 4, Code
16 36 2003, are amended to read as follows:

16 37 ~~3. In the event an amendment is filed with the~~
16 38 ~~division of insurance pursuant to subsection 4, the~~
16 39 ~~provider shall deliver a copy of the amendment or the~~
16 40 ~~amended disclosure statement to a prospective resident~~
16 41 ~~and to a prospective resident's personal~~
16 42 ~~representative if one is appointed prior to the~~
16 43 ~~provider's acceptance of part or all of the entrance~~
16 44 ~~fee or the execution of the continuing care or senior~~
16 45 ~~congregate living services contract by the prospective~~
16 46 ~~resident.~~

16 47 ~~4. 3. a.~~ In addition to filing the annual
16 48 disclosure statement, the provider may amend its
16 49 currently filed disclosure statement at any other time
16 50 if, in the opinion of the provider, an amendment is
17 1 necessary to prevent the disclosure statement and
17 2 annual disclosure statement from containing any
17 3 material misstatement of fact or omission to state a
17 4 material fact required to be included in the

17 5 statement. The amendment or amended disclosure
17 6 statement shall be filed with the division of
~~17 7 insurance before the statement is delivered to a~~
~~17 8 resident or prospective resident and a personal~~
~~17 9 representative of a resident or prospective resident~~
17 10 and is subject to all the requirements, including
17 11 those as to content and delivery, of this chapter.
17 12 b. If an amendment to an initial disclosure
17 13 statement is prepared, the provider shall deliver a
17 14 copy of the amendment or the amended disclosure
17 15 statement to a prospective resident or to a
17 16 prospective resident's personal representative if one
17 17 is appointed prior to the provider's acceptance of
17 18 part or all of the entrance fee or the execution of
17 19 the continuing care or senior congregate living
17 20 services contract by the prospective resident. If an
17 21 amendment to an annual disclosure statement is
17 22 prepared, the provider shall make a copy of the
17 23 amendment or the amended disclosure statement for
17 24 review at the facility to a prospective resident, a
17 25 resident, or a personal representative of the
17 26 prospective resident or resident.

17 27 Sec. 39. Section 523D.4, subsection 2, Code 2003,
17 28 is amended to read as follows:

17 29 2. A provider shall not ~~file with the division of~~
~~17 30 insurance or~~ make, publish, disseminate, circulate, or
17 31 deliver to any person or place before the public, or
17 32 cause, directly or indirectly, to be made, published,
17 33 disseminated, circulated, or delivered to any person
17 34 or placed before the public, a financial statement
17 35 which does not meet generally accepted accounting
17 36 principles.

17 37 Sec. 40. Section 523D.5, subsections 1 and 2, Code
17 38 2003, are amended by striking the subsections.

17 39 Sec. 41. Section 523D.5, subsections 3 and 4, Code
17 40 2003, are amended to read as follows:

17 41 3. CONSTRUCTION. New construction shall not begin
17 42 until ~~the filing required by this section has been~~
~~17 43 made and~~ at least fifty percent of the proposed number
17 44 of independent living units in the initial stage or
17 45 phase have been reserved pursuant to executed
17 46 contracts and at least ten percent of the entrance
17 47 fees required by those contracts are held in escrow
17 48 pursuant to this chapter. However, the requirements
17 49 of this subsection may be ~~waived by the commissioner~~
~~17 50 by rule or order upon a showing of good cause.~~
18 1 disregarded if the provider has done any of the
18 2 following:

18 3 ~~For purposes of this subsection, "good cause"~~
~~18 4 includes, but is not limited to, evidence of the~~
~~18 5 following:~~

18 6 a. Secured financing adequate in an amount and
18 7 term to complete the project ~~described in the filing~~
~~18 8 required by this section.~~

18 9 b. Cash Provided cash reserves adequate in an
18 10 amount to operate the facility for twenty-four months
18 11 based upon reasonable projections of income and
18 12 expenses.

18 13 c. ~~Creation of~~ Created an escrow account in which
18 14 a resident's entrance fee or purchase price will be
18 15 deposited, if the terms of the escrow agreement
18 16 provide reasonable protection from loss until at least
18 17 fifty percent of the proposed number of independent
18 18 living units in the initial stage or phase have been
18 19 reserved.

18 20 4. ESCROW REQUIREMENTS. Unless ~~proof has been~~
~~18 21 submitted to the commissioner that the conditions for~~
18 22 the release of escrowed funds set forth in this
18 23 section have already been met, ~~the~~ a provider shall
18 24 establish an interest-bearing escrow account at a
18 25 state or federally regulated financial institution
18 26 located within this state to receive any deposits or
18 27 entrance fees or portions of deposits or fees for a
18 28 living unit which has not been previously occupied by
18 29 a resident for which an entry fee arrangement is used.
18 30 The escrow account agreement shall be entered into
18 31 between the financial institution and the provider
18 32 with the financial institution as the escrow agent and
18 33 as a fiduciary for the resident or prospective
18 34 resident. The agreement shall state that the purpose
18 35 of the escrow account is to protect the resident or

18 36 prospective resident and that the funds deposited
18 37 shall be kept and maintained in an account separate
18 38 and apart from the provider's business accounts.
18 39 Sec. 42. Section 523D.5, subsection 5, paragraph
18 40 c, unnumbered paragraph 1, Code 2003, is amended to
18 41 read as follows:
18 42 Except as provided by paragraphs "a" and "b",
18 43 amounts held in escrow shall be released only upon
18 44 ~~approval of the commissioner. The commissioner shall~~
18 45 ~~approve the release of funds only upon a determination~~
18 46 that at least one of the following conditions has been
18 47 satisfied:
18 48 Sec. 43. Section 523D.6, subsection 1, unnumbered
18 49 paragraph 1, Code 2003, is amended to read as follows:
18 50 ~~In addition to any other provisions prescribed by~~
19 1 ~~rules adopted under this chapter, each A contract~~
19 2 providing for continuing care or senior adult
19 3 congregate living services by a provider shall be
19 4 written in nontechnical language easily understood by
19 5 a lay person and shall include all of the following:
19 6 Sec. 44. Section 523D.7, subsection 3, Code 2003,
19 7 is amended to read as follows:
19 8 3. A person shall not file or maintain an action
19 9 under this section if the person, before filing the
19 10 action, received an offer to refund, payable upon
19 11 acceptance, all amounts paid the provider, facility,
19 12 or person violating this chapter, together with
19 13 interest from the date of payment, less the reasonable
19 14 value of care and lodging provided prior to receipt of
19 15 the offer, and the person failed to accept the offer
19 16 within thirty days of its receipt. ~~At the time a~~
19 17 ~~provider makes a written offer of refund, the provider~~
19 18 ~~shall file a copy with the division of insurance. The~~
19 19 refund offer shall refer to the provisions of this
19 20 section.
19 21 Sec. 45. Section 523D.7, subsection 5, Code 2003,
19 22 is amended by striking the subsection.
19 23 Sec. 46. Section 523D.8, subsection 1, Code 2003,
19 24 is amended to read as follows:
19 25 1. A person who willfully and knowingly violates a
19 26 provision of this chapter ~~or a rule adopted or order~~
19 27 ~~entered pursuant to this chapter, upon conviction, is~~
19 28 guilty of an aggravated misdemeanor.
19 29 Sec. 47. NEW SECTION. 523D.11 CONSTRUCTION WITH
19 30 OTHER LAW.
19 31 This chapter does not limit a person's liability
19 32 under another statute or at common law. The
19 33 provisions of this chapter as it existed prior to the
19 34 effective date of this Act shall continue to govern
19 35 all actions based on facts occurring prior to the
19 36 effective date of this Act.
19 37 Sec. 48. Section 523D.12, subsection 1, Code 2003,
19 38 is amended by striking the subsection.
19 39 Sec. 49. Section 523D.12, subsection 2, unnumbered
19 40 paragraph 1, Code 2003, is amended to read as follows:
19 41 ~~The commissioner or the attorney general may, for~~
19 42 the purpose of discovering or investigating violations
19 43 of this chapter ~~or rules adopted pursuant to this~~
19 44 ~~chapter do any or all of the following:~~
19 45 Sec. 50. Section 523D.12, subsection 2, paragraphs
19 46 a and c, Code 2003, are amended to read as follows:
19 47 a. Investigate the business and examine the books,
19 48 accounts, records, and files used by a provider. With
19 49 the exception of an examination involving new
19 50 construction, an examination involving a complaint by
20 1 a resident or a prospective resident or where good
20 2 cause exists for the lack of prior notice, as
20 3 determined by the ~~commissioner~~ attorney general, the
20 4 ~~division of insurance~~ attorney general shall provide
20 5 at least seven days' prior notice to the facility
20 6 before conducting an on-site examination.
20 7 c. Apply to the district court for issuance of an
20 8 order requiring a person's appearance before the
20 9 ~~commissioner or~~ attorney general. The person may also
20 10 be required to produce documentary evidence germane to
20 11 the subject of the investigation. Failure to obey a
20 12 court order under this subsection constitutes contempt
20 13 of court.
20 14 Sec. 51. Section 523D.14, Code 2003, is amended to
20 15 read as follows:
20 16 523D.14 INJUNCTIONS.

20 17 The attorney general may petition the district
20 18 court in any county of the state for an injunction to
20 19 restrain a person subject to this chapter and any
20 20 agents, employees, or associates of the person from
20 21 engaging in conduct or practices in violation of this
20 22 chapter ~~or rules adopted pursuant to this chapter~~. In
20 23 a proceeding for an injunction, the attorney general
20 24 may apply to the court for the issuance of a subpoena
20 25 to require the appearance of a defendant and the
20 26 defendant's agents and any documents, books, or
20 27 records germane to the hearing upon the petition for
20 28 an injunction. Upon proof of any of the violations
20 29 described in the petition for injunction, the court
20 30 may grant the injunction.
20 31 Sec. 52. Sections 523D.2, 523D.9, 523D.10, and
20 32 523D.13, Code 2003, are repealed.>
20 33 #2. Title page, line 1, by striking the word
20 34 and inserting the following: 20 35 industries, including the Iowa uniform securities
20 36 Act,>.
20 37 #3. By renumbering, redesignating, and correcting
20 38 internal references as necessary.
20 39
20 40
20 41
20 42 _____
20 43 HOFFMAN of Crawford
20 44 HF 647.504 80
20 45 jj/pj